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SP

March 31, 2006

Mr. Charles Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
Post Office Drawer 11649  
Columbia, South Carolina 29211

Re: Docket No. 1999-434-E/C

Dear Mr. Terreni:

Pursuant to Regulatory Condition No. 6 approved by the Commission in Docket No. 1999-434-E/C, Order No. 2000-0229, Progress Energy Carolinas, Inc. submits for filing with the Commission the original and 5 copies of its annual report of affiliate transactions for the year ending December 31, 2005.

Very truly yours,

A handwritten signature in black ink that reads 'Len S. Anthony' followed by a stylized flourish.

Len S. Anthony  
Deputy General Counsel – Regulatory Affairs

cc: John Flitter

LSA/  
Enclosure  
232935

**Summary of Affiliated Transactions**  
**For the Year Ended December 31, 2005**

**Company: Carolina Power & Light Company, d/b/a Progress Energy Carolinas**

<b>Name of Affiliate Providing Service</b>	<b>Name of Affiliate Receiving Service</b>	<b>Type of Good/Service Provided</b>	<b>Dollar Amount</b>
CP&L	Progress Ventures, Inc., d/b/a Progress Energy Ventures, Inc.	Generation expansion, trading management, transmission/distribution support, core environmental services, CT operations/maintenance, system planning, technical services support, general management and administrative services	\$ 1,375,057.45
CP&L	Rowan County Power, LLC	Transmission/distribution support, technical services support, core environmental services, CT operations and maintenance	\$ 228,909.42
CP&L	Effingham County Power, LLC	Transmission/distribution support, technical services support, core environmental services, CT operations and maintenance	\$ 139,223.18
CP&L	DeSoto County Generating Co., LLC	CT operations and maintenance, technical services support	\$ 20,261.68
CP&L	MPC Generating, LLC	Transmission/distribution support, core environmental services, CT operations and maintenance	\$ 39,111.42
CP&L	Walton County Power, LLC	Transmission/distribution support, core environmental services, CT operations and maintenance	\$ 154,504.03
CP&L	Washington County Power, LLC	Transmission/distribution support, generation expansion, core environmental services, CT operations and maintenance	\$ 381,611.68
CP&L	Florida Power Corporation, d/b/a Progress Energy Florida, Inc.	Shared utility functions, technical services, generation expansion, CT operations/maintenance; Transmission & Distribution support, management, oversight, metering, community relations; Customer Service performance solutions, customer service management; Nuclear regulatory, management, assessment, oversight, fuel administration, engineering materials and controls, security, contract support, IT analytical services; Power Operations gas and oil supply, core environmental services; Regulated commercial operations power trading, purchased power contract support, operational support, gas & oil procurement; Energy Supply native load generation; Energy Delivery management & oversight; Unregulated customer services, transmission & distribution engineering/design/construction; Regulated timber sales	\$ 53,648,048.68
CP&L	Progress Fuels Corporation (f/k/a Electric Fuels Corporation)	Rail car usage, gas & energy services management, executive management	\$ 535,128.10
CP&L	Progress Telecommunications Corp.	Executive management	\$ 40,470.27
CP&L	Progress Rail Services Corp.*	Energy services management	\$ 637,401.46

**Summary of Affiliated Transactions**  
**For the Year Ended December 31, 2005**

**Company: Carolina Power & Light Company, d/b/a Progress Energy Carolinas**

<b>Name of Affiliate Providing Service</b>	<b>Name of Affiliate Receiving Service</b>	<b>Type of Good/Service Provided</b>	<b>Dollar Amount</b>
CP&L	Progress Telecom LLC	IRU covering optical fibers, land and electric poles, Aircraft usage, Telecommunications support	\$ 644,373.28
CP&L	Strategic Resources Solutions Corp.	Energy Delivery management and oversight	\$ 122.90
CP&L	Progress Energy Service Company, LLC	Cash management, administrative service group management, shared corporate functions	\$ 4,144,014.82
CP&L	Progress Energy, Inc	Rent	\$ 5,471.46
Progress Ventures, Inc., d/b/a Progress Energy Ventures, Inc.	CP&L	Executive management services, loaned employees	\$ 1,996.71
Florida Power Corporation, d/b/a Progress Energy Florida, Inc.	CP&L	Shared corporate functions, technical services support, operations support, native load generation, combustion turbine operations & maintenance, core environmental services; Transmission & Distribution support; Customer service performance solutions, answer customer calls; Nuclear services and business operations oversight, management, regulatory, engineering, contract/mat; Energy Delivery management & oversight, distribution design; Power Operations operations support; Residential support services	\$ 13,951,993.55
Progress Fuels Corporation	CP&L	Coal & coal procurement services	\$ 627,339.00
Progress Energy Service Company, LLC	CP&L	Shared corporate functions including accounting, tax, legal, IT, HR, telecommunications, treasury, executive, corporate communications, advertising, public safety, environmental services, transportation/fleet management, facilities and real estate management, payroll, risk management	\$ 192,907,614.98

\* Progress Rail Services Corp. is no longer a Progress Energy entity. On 3/24/05, 100% of the stock in Progress Rail Services Corporation was sold to an outside party. This report reflects affiliate transactions for the period 1/1/2005 through 3/23/2005.

**Summary of Affiliated Transactions  
For the Year Ended December 31, 2005**

**Company: Progress Telecom, LLC**

<b>Name of Affiliate Providing Service</b>	<b>Name of Affiliate Receiving Service</b>	<b>Type of Good/Service Provided</b>	<b>Dollar Amount</b>
Progress Telecom LLC	Progress Energy Service Company, LLC	Broadband services, Telecommunications support, Fiber repair/maintenance services	\$ 12,223,912.13
Progress Telecom LLC	Progress Telecommunications Corp.	Labor	\$ 36,900.00
CP&L	Progress Telecom LLC	IRU covering optical fibers, land and electric poles, Aircraft usage, Telecommunications support	\$ 644,373.28
Florida Power Corporation, d/b/a Progress Energy Florida, Inc.	Progress Telecom LLC	IRU covering optical fibers, land and electric poles, Telecommunications support	\$ 3,231,562.53
Progress Telecommunications Corp.	Progress Telecom LLC	Rent	\$ 240,312.00
Progress Energy Service Company, LLC	Progress Telecom LLC	Telecommunications support, Application Development & Enhancement, IT infrastructure, Shared corporate costs	\$ 38,450.99